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**STATE BOARD OF EQUALIZATION
STAFF LEGISLATIVE BILL ANALYSIS (SHORT FORM)**

Date Amended:	04/13/99	Bill Number:	AB 572
Tax:	Sales and Use, Special, and Property Taxes	Author:	Pescetti, et al.
Board Position:		Related Bills:	AB 436 (McClintock), SB 1222 (Knight), AB 1631, SB 1425, and SB 1478 (1997-98)

We are following the bill but will not prepare a standard analysis on it in its present form.

COMMENTS:

This bill contains provisions that would impact the Franchise Tax Board (FTB), the Board of Equalization (BOE), and the Employment Development Department. With regard to the BOE provisions, this bill would require the BOE, rather than the taxpayer, to have the burden of proof in any court proceeding with respect to any factual issue relevant to ascertaining the tax liability of a taxpayer, under certain circumstances. This bill would also require the Board to have the “burden of production” in any court proceeding with respect to the liability of any individual for any penalty, addition to tax, or additional amount imposed.

The amendments to this bill would more clearly conform Personal Income Tax Law to the burden of proof provisions of the Internal Revenue Service Restructuring and Reform Act of 1998. These amendments would only impact the FTB.

Analysis prepared by: Laurie D. Watson

324-1890

04/20/99

This staff analysis is provided to address various administrative, cost, revenue and policy issues; it is not to be construed to reflect or suggest the Board's formal position.

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